

ORIGINAL

NEW APPLICATION



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VIA OVERNIGHT MAIL

AZ CORP COMMISSION
DOCKET CONTROL

Docket Control
Arizona Corporation Commission
1200 W. Washington
Phoenix, AZ 85007

RE: In the Matter of the Interconnection Agreement between Level 3 Communications, LLC
and Copper Valley Telephone Company

Dear Madam or Sir:

T-03654A-08-0174
T-02727A-08-0174


Enclosed for approval under Section 252 (e) of the Telecommunications Act of 1996 are an original and 14 copies of the Interconnection Agreement between Level 3 Communications, LLC and Copper Valley Telephone Company. This agreement provides for the exchange of local telecommunications traffic, local/mandatory EAS traffic and ISP-bound traffic, as well as interconnection of facilities either directly or indirectly specifically for the purposes of fulfilling the obligations of the parties pursuant to Sections 251 (a), (b), (c) (1) and (c) (2) of the Act.

Copper Valley Telephone Company is a rural telephone company as defined by 47 U.S.C. § 153 (37). By voluntarily entering into this Agreement, Copper Valley Telephone Company, as a rural telephone company, is not waiving any rights including, but not limited to, the rights afforded Copper Valley Telephone Company under Section 251 (f) of the Act.

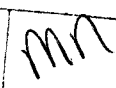
An additional copy of this filing and a return envelope have been included. Please return a file stamped copy for our records.

We appreciate your attention in this matter. Please contact the undersigned if you have any questions.

Sincerely,


Amy Linzey
Authorized Representative for
Copper Valley Telephone Company

Arizona Corporation Commission
DOCKETED
MAR 26 2008

DOCKETED BY 

AL/cn

Enclosures

cc: Mr. Virgil Barnard, Copper Valley Telephone Company
Mr. Scott Porter, Level 3 Communications, LLC

INTERCONNECTION AGREEMENT

BY AND BETWEEN

COPPER VALLEY TELEPHONE, INC.

AND

LEVEL 3 COMMUNICATIONS, INC.

GENERAL TERMS AND CONDITIONS

This Agreement, consisting of these General Terms and Conditions and Appendices A and B ("Agreement"), is effective on the date it is approved by the Arizona Corporation Commission (the "Effective Date") by and between Copper Valley Telephone, Inc., an Arizona corporation with offices located at 752 East Maley, P. O. Box 970, Willcox, Arizona ("CVT"), and Level 3 Communications, L.L.C. ("Level 3"), with offices located at 1025 Eldorado Blvd., Broomfield, CO 80021 (referred to herein singularly as a "Party" or collectively as the "Parties").

WHEREAS, CVT is an Incumbent Local Exchange Carrier, as defined in Section 251 (h) of the Act (47 U.S. C. § 251 (h)), authorized to provide Telecommunications Services in the State of Arizona and represents that it will maintain all necessary jurisdictional certification(s) required in Arizona; and

WHEREAS, Level 3 is a competitive local exchange telecommunications company authorized to provide Telecommunications Services in the State of Arizona and represents that it will maintain all necessary jurisdictional certification(s) required in Arizona; and

WHEREAS, Level 3 represents to CVT that it is a Telecommunications Carrier under the Act and acting as a Telecommunications Carrier, has requested interconnection with designated facilities of CVT in its Clifton Rate Center; and

WHEREAS, CVT is a rural telephone company as defined by Section 3 (37) of the Act (47 U.S.C. § 153 (37)). By voluntarily entering into this Agreement, CVT, as a rural telephone company, is not waiving any rights including, but not limited to, the rights afforded CVT under Section 251 (f) of the Act.

WHEREAS, the Parties agree to exchange Local Telecommunications Traffic, Local/Mandatory EAS traffic and ISP-bound Traffic and interconnect their facilities either indirectly or directly specifically for the purposes of fulfilling their obligations pursuant to Sections 251 (a), (b), (c) (1) and (c) 2) of the Act.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the Parties agree as follows:

1. Scope

- 1.1. The Parties agree that the rates, terms and conditions contained within this Agreement, including all Attachments, comply and conform to each Party's obligations under Section 251 (a), (b), (c) (1) and (c) (2) of the Act.
- 1.2. Level 3 agrees that it is requesting and will use this arrangement for the purpose of exchanging Local Telecommunications Traffic, Local/Mandatory EAS traffic and ISP-Bound Traffic,

and will not use this arrangement solely for the exchange of Enhanced Services Traffic or Information Service traffic. The FCC has not determined whether Interconnected VoIP Traffic is a Telecommunications Service or an Information Service. Neither Party waives, and each Party instead fully reserves, any and all rights that it had, has and may have to assert any position with respect to the treatment of Interconnected VoIP Traffic and any of the matters set forth herein before any state or federal administrative, legislative, judicial or other legal body. For the purposes of this Agreement, Interconnected VoIP Traffic shall be rated as other voice Local Telecommunications Traffic. If the FCC makes a final determination as to the appropriate treatment of Interconnected VoIP Traffic that affects the terms of this Agreement, the terms of this Agreement shall remain in effect until such time as this Agreement is modified under the change in law provisions included in this Agreement.

- 1.3. Level 3 agrees that it is requesting and will use this arrangement for the purpose of exchanging Local Telecommunications Traffic, Local/Mandatory Extended Area Service traffic and ISP-Bound Traffic within CVT's Clifton and Elfrida Rate Centers.
- 1.4 Each Party agrees that it will not knowingly provision any of its services or exchange any traffic hereunder in a manner that permits the unlawful avoidance of the application of intrastate or interstate switched access charges by the Party and/or any other party including, but not limited to, Level 3's Customers or any third party carriers.
- 1.5 Nothing in this Agreement alters or otherwise affects in any manner the local calling areas or services offered by either Party to its End Users. The exchange of and intercarrier compensation for platform traffic, or calling card traffic, between the Parties shall be governed by applicable FCC rules and orders.

2. Definitions

Except as otherwise specified herein, the definitions set forth in this section apply to this Agreement. Additional definitions that are specific to the matters covered in a particular provision may appear in that provision. To the extent that there may be any conflict between a definition set forth below and any definition in a specific provision, the definition set forth in the specific provision shall control with respect to that provision.

- 2.1 Act, as used in this Agreement, means the Communications Act of 1934 (47 U.S.C. Section 151 et seq.), as amended by the Telecommunications Act of 1996, and as from time to time

interpreted in the duly authorized rules and regulations of the Federal Communications Commission ("FCC") or the Commission.

- 2.2 "Agreement" as used herein means the General Terms and Conditions, together with Appendices A and B.
- 2.3 Bill and Keep means that neither of the two interconnecting carriers charges the other for the transport and termination of Local Telecommunications Traffic originated by the other Party's End User.
- 2.4 Commission means the Arizona Corporation Commission.
- 2.5 End Office Switch or End Office means a switch that is a Class 5 switch from which end user Local Telecommunications Services are directly connected and offered.
- 2.6 End User means, whether or not capitalized, the residential or business subscriber that is the ultimate user of Telecommunications Services (or Telecommunications Services combined with information services) provided directly to such individual or entity by CVT or Level 3, or by a third party provider that is the Customer of a Party where the Party is acting as a wholesale provider of Telecommunications services. As used in this Agreement, "Customer" means a wholesale purchaser of telecommunications services or telecommunications services combined with information services. Such End Users shall be located within the CVT Rate Center(s).
- 2.7 Enhanced Services are as defined by the FCC (47 CFR 64.702(a)). For the purposes of this Agreement Enhanced Service traffic and Information Service traffic will hold the same definition.
- 2.8 Interconnected VoIP Service is as defined by the FCC and is a service that: (1) enables real-time, two-way voice communications; (2) requires a broadband connection from the user's location; (3) requires Internet protocol-compatible customer premises equipment (CPE); and (4) permits users generally to receive calls that originate on the public switched telephone network and to terminate calls to the public switched telephone network
- 2.9 ISP-Bound Traffic means dial-up internet traffic that is directed, either directly or indirectly, to or through an information service provider or Internet Service Provider (ISP). Traffic directed to or through an ISP using a 1+ dialing arrangement from the

originating End User's Rate Center Area is considered switched toll traffic and subject to access charges. Interconnected VoIP Traffic is not ISP-Bound Traffic.

- 2.10 Jurisdictional Indicator Parameter (JIP) is a six-digit number used to convey information about call origin. JIP is defined in the Alliance for Telecommunications Industry Solutions Reference Document ATIS-0300011.
- 2.11 Local Telecommunications Traffic is CVT's End User traffic terminated by Level 3 (or its Customer) and Level 3's (or its Customer's) End User traffic terminated by CVT that both originates and terminates within CVT's Rate Center Area. The Parties agree that the points of call origination and termination shall be used to determine the jurisdiction of the call and agree to use the Rate Center assignments of the calling and called NPA/NXX's as shown in the LERG to make such determination. Local Telecommunications Traffic does not include: mandatory or optional extended area service with a third party carrier, Enhanced Service Provider ("ESP") and ISP-Bound traffic, 500, 900/976, 900/976 like traffic. For the purposes of this Agreement, Local/Mandatory EAS traffic and Interconnected VoIP Traffic shall be treated as Local Telecommunications Traffic. Local Telecommunications Traffic does not include intraLATA and inter LATA toll traffic as defined in Copper Valley's tariffs, CMRS Traffic, or information access traffic.
- 2.12 Local Access and Transport Area ("LATA") is as defined in the Act.
- 2.13 Local/Mandatory Extended Area service ("EAS") traffic is any call that originates from an End User located in one exchange and terminates to an End User located in either the same exchange or other mandatory local calling area associated with the originating End User's exchange.
- 2.14 Local Number Portability ("LNP") is the ability of users of Telecommunications Services to retain, within the same rate center, existing telecommunications numbers without impairment of quality, reliability, or convenience when switching from one telecommunications carrier to another.
- 2.15 Originating Party shall mean a Party whose End User (or whose Customer's End User) either directly or indirectly initiated a communication that results in traffic being delivered to the Terminating Party.

- 2.16 Point of Interconnection ("POI") means the physical location(s) at which the Parties' networks meet for the purpose of exchanging traffic.
- 2.17 Rate Center Area is a geographic location, which has been defined by the Commission as being associated with an NPA/NXX code and which has been assigned to CVT for its provision of telephone exchange service excluding mandatory extended area service with a third party carrier.
- 2.18 Rate Center is the finite geographic point identified by a specific V&H coordinate which is used by the ILEC to measure, for billing purposes, distance-sensitive transmission services associated with the specific rate center; provided that a Rate Center cannot exceed the boundaries of the ILEC Exchange Area as defined by the Commission.
- 2.19 Switched Access Traffic is the offering of facilities for the purpose of the origination or termination of interexchange traffic to or from exchange service customers in a given area pursuant to a switched access tariff. Switched Access Services include, but is not limited to: Feature Group A, Feature Group B, Feature Group C, Feature Group D, 500, 800, 700, 800, 888, and 900 access services.
- 2.20 Terminating Party shall mean a Party receiving traffic from the End User (or its Customer's End User) of the Originating Party.
- 2.21 Telecommunications Carrier is as defined under the Act (47 U.S.C. 153(44)).
- 2.22 Telecommunications Services is as defined in 47 U.S.C. 153 (46).
- 2.23 Transit Service is traffic that originates on one Party's network, transits the other Party's network, and terminates on a third party's network. Transit traffic does not include traffic that is subject to a Party's access tariff.

3. Term of Agreement

- 3.1 This Agreement, and any amendment or modification hereof, will be submitted to the Arizona Corporation Commission for approval in accordance with § 252 of the Act within (30) days after obtaining the last required Agreement signature.
- 3.2 The Agreement shall be effective upon Commission approval and continue for an initial term of two years ending on (date)

("End Date"), unless earlier terminated in accordance with this section, provided however that if Level 3 has any undisputed outstanding past due obligations to CVT, this Agreement will not be effective until such time as any past due obligations with CVT are paid in full.

- 3.3 No later than one-hundred sixty (160) days prior to the End Date, either Party may provide notice to commence negotiations pursuant to Sections 251 and 252 of the Act for terms, conditions and rates for a successor agreement to be effective on or before the End Date or in the alternative, if notice is not provided, this Agreement will automatically renew for successive one (1) year periods.
- 3.4 In the event that this Agreement is noticed for termination and the Parties are actually in arbitration or mediation before the Commission or FCC under § 252 of the Act or the Parties have a written agreement to continue negotiations, it is the intent of the Parties to provide in this Section for post-expiration interim service arrangements between the Parties so that service to their respective end users will not be interrupted should a new agreement not be consummated prior to the End Date. Therefore, except in the case of termination as a result of the events under Section 4, services that had been available under this Agreement, were ordered prior to the End Date and are actually in service as of the End Date may continue at the same rates, terms and conditions as provided in this Agreement uninterrupted after the End Date at the written request of either Party only until the earlier occurs: (i) the Parties execute a successor agreement, or (ii) the issuance of an order, whether a final non-appealable order or not, by the Commission or FCC, approving an agreement resulting from the resolution of the issues set forth an arbitration or mediation request.

4. Termination of the Agreement

4.1. Termination for Default

Subject to Section 17 and 18, either Party may terminate this Agreement in whole or in part in the event of a default by the other Party provided that the non-defaulting Party notifies the defaulting Party in writing of the alleged default and that such default remains uncured thirty (30) days after final resolution of the dispute, pursuant to the Dispute Resolution procedures, in the non-defaulting Party's favor. In no event shall a Party have the right of termination without first pursuing the dispute resolution procedures set forth in Section 17 and 18 of this Agreement, except under the following circumstances. If a Party

fails to observe or perform any material term or condition of this Agreement and such failure materially and adversely affects the operation or reliability of the non-defaulting Party's network or impacts a Party's ability to fulfill Customer commitments, then the non-defaulting Party shall deliver written notice of such default to the other Party. Such notice shall specify that the default materially and adversely affects the operation and reliability of the non-defaulting Party's network, and shall contain specific detail as to the foundation of the asserted violation and why it is considered material. If the default is not remedied or the Parties are otherwise unable to resolve the issue within five (5) business days, either Party may pursue any other remedy that may be available, including from the Commission or the FCC, or through a court of competent jurisdiction. Nothing herein is intended to prevent either Party from taking whatever steps it reasonably deems necessary to protect the operation or reliability of its network.

Default means any one or more of the following:

- 4.1.1 A Party's refusal or failure in any material respect to perform its obligations under this Agreement, or the violation of any of the material terms or conditions of this Agreement; or
- 4.1.2 A Party's assignment of any right, obligation, or duty, in whole or in part, or of any interest, under this Agreement without any consent required under Section 19.13 of this Agreement.
- 4.1.3 The Commission or a court of competent jurisdiction in Arizona issues a final, non-appealable, non-stayed order adjudicating that Level 3 is not entitled to any rights of interconnection under Section 251 of the Act.

4.2 Termination for Insolvency or Bankruptcy

- 4.2.1 If either Party files for bankruptcy, the Party must provide a notice of the bankruptcy filing to the notice contacts listed in the Notices Section of this Agreement within five (5) business days of the filing of any petition for bankruptcy.
- 4.2.2 This Agreement is immediately terminated upon a Party becoming insolvent or upon the initiation of a voluntary bankruptcy proceeding.

4.2.3 In the event that an involuntary bankruptcy or receivership proceeding is initiated against a Party, this Agreement shall terminate unless such proceeding is set aside within thirty (30) days.

4.4 Liability upon Termination

Termination of this Agreement, or any part hereof, for any cause shall not release either Party from any liability which at the time of termination had already accrued to the other Party or which thereafter accrues in respect of any act or omission occurring prior to the termination or from an obligation which is expressly stated in this Agreement to survive termination.

5. **Billing and Payments**

In consideration of the services and facilities provided under this Agreement, each Party shall bill the other Party on a monthly basis all applicable charges set forth in this Agreement or, if not set forth herein, in their respective applicable tariff(s). The Party billed ("Billed Party") shall pay to the invoicing Party ("Billing Party") all undisputed amounts within thirty (30) days from the bill date. If the payment due date is a Saturday, Sunday, or a designated bank holiday, payment shall be made by the prior business day. Neither Party shall back-bill the other Party for services provided under this Agreement that are more than one (1) year old or that predating this Agreement. If a Party fails to bill for a service within one (1) year of when it was rendered, then that Party waives its rights to backbill for that service, absent fraud or willful misconduct by the Billed Party.

5.1 Billing Disputes Related to Unpaid Amounts

5.1.1 If any portion of an amount invoiced to a Billed Party under this Agreement is subject to a bona fide dispute between the Parties, the Billed Party may withhold payment of the disputed amount and notify the Billing Party it is withholding a disputed amount and the amount it is disputing ("Disputed Amount"). Within sixty (60) days of its receipt of the invoice containing such Disputed Amount, the Billed Party shall provide the specific details and reasons for disputing each item in writing. The Billed Party shall pay, when due, all undisputed amounts on the invoice to the Billing Party. The Parties will work together in good faith to resolve issues relating to the disputed

amounts and either Party may invoke Section 18, Dispute Resolutions with a 30 day notice. If the dispute is resolved such that payment is required, the Billed Party shall pay the disputed amounts with interest at the lesser of (i) one percent (1-1/2 %) per month or (ii) the highest rate of interest that may be charged under applicable law. In addition, the Billing Party may suspend terminating traffic for the Billed Party if amounts previously under dispute are resolved and considered to be due and are not paid within ninety (90) days after they are determined to be due, provided the Billing Party has given the Billed Party an additional thirty (30) days written notice and opportunity to cure the default. If the dispute is resolved such that payment is not required, the Billing Party will issue the Billed Party a credit for the Disputed Amounts on its next invoice following the date of resolution of the dispute.

5.2 Billing and Payment – Undisputed Amounts Not Paid

- 5.2.1 Any undisputed amounts not paid, when due, shall accrue interest from the date such amounts were due at the lesser of (i) one and one-half percent (1½%) per month or (ii) the highest rate of interest that may be charged under Arizona's applicable law.
- 5.2.2 If payment of undisputed amounts is not received thirty (30) days from the bill date, the Billing Party may provide written notice to the Billed Party that additional applications for service will be refused, and that any pending orders for service will not be completed if payment is not received by the fifteenth (15th) day following the date the Billed Party received said notice. Notice shall be provided by certified, return receipt mail. If the Billing Party does not refuse additional applications for service on the date specified in the notice, and the Billed Party's noncompliance continues, nothing contained herein shall preclude the Billing Party's right to thereafter refuse additional applications for service without further notice.
- 5.2.3 If the Billed Party fails to make any payment following the notice under Section 5.2.2, the Billing Party may thereafter, on thirty (30) days prior written notice to the Billed Party (the "Discontinuance Notice"), discontinue the provision of existing

services to the Billed Party at any time thereafter, unless, the Billed Party pays all undisputed amounts due within said thirty (30) day period. Notice shall be as provided in Section 15 Notices. In the case of such discontinuance, all billed charges, as well as applicable termination charges, if any, shall become due. If the Billing Party does not discontinue the provision of the services involved on the date specified in the Discontinuance Notice, and the Billed Party's noncompliance continues, nothing contained herein shall preclude the Billing Party's right to thereafter discontinue the provision of the services to the Billed Party without further notice.

5.2.4 If payment is not received within thirty (30) days after the Discontinuance Notice given under Section 5.2.3, the Billing Party may terminate this Agreement.

5.2.5 After disconnect procedures have begun, the Billing Party shall not accept any service orders from the Billed Party until all unpaid charges are paid in full and such funds are available to the Billing Party.

5.3 Billing Disputes of Paid Amounts

If any portion of an amount paid to a Billing Party under this Agreement is thereafter subject to a bona fide dispute by the Billed Party ("Disputed Paid Amount"), the Billed Party may provide written notice to the Billing Party of the Disputed Paid Amount, and seek a refund of such amount, at any time prior to the date that is one (1) year after the receipt of a bill containing the Disputed Paid Amount. If the Billed Party fails to provide written notice of a Disputed Paid Amount within one (1) year of receipt of the bill, the Billed Party waives its rights to dispute its obligations to pay such amount, and to seek refund of such amount, absent fraud or willful misconduct by the Billing Party. If it is determined that the Billed Party is entitled to a refund of all or part of the Disputed Paid Amount, the Billing party will, within ninety (90) days after such determination, refund such amount, together with interest from the date written notice of the Disputed Paid Amount was given at the interest rate set forth in Section 5.2.1 hereof.

5.4 Issues related to Disputed Amounts and Disputed Paid Amounts not resolved by the Parties shall be resolved in accordance with all of the applicable procedures identified in the Dispute Resolution provisions set forth in Sections 17 and 18 of this Agreement.

6. Security

Based on the representations of Level 3 that (i) Level 3 has been duly certified in the relevant state for a period of at least 5 years, and (ii) as of the time of execution of this Agreement, the gross revenues of Level 3 are in excess of \$100 million a year, CVT waives the requirement of any security deposit in connection with this Agreement.

7. Call Detail Records

The Parties will pass industry standard call record information. The Parties agree to cooperatively work together to provide the other Party information sufficient to accurately classify the traffic (Local Traffic, EAS, Interconnected VoIP Traffic, Intrastate Switched Access (includes IntraLATA Toll), Interstate Switched Access, and such other information as may be reasonably required by the terminating Party to classify the traffic for billing purposes. Neither Party shall strip or alter call records to disguise the jurisdiction of a call or permit third parties to do so for traffic that a Party delivers to the other Party.

8. Audits

8.1 Either Party may conduct an audit of the other Party's books and records pertaining to the Services provided under this Agreement, no more frequently than once per twelve (12) month period, to evaluate the other Party's accuracy of billing, invoicing and other services in accordance with this Agreement.

8.2 Any audit will be performed as follows: (i) following at least sixty (60) Business Days' prior written notice to the audited Party; (ii) subject to the reasonable scheduling requirements and limitations of the audited Party; (iii) at the auditing Party's sole cost and expense; (iv) of a reasonable scope and duration; (v) in a manner so as not to interfere with the audited Party's business operations; and (vi) in compliance with the audited Party's security rules.

8.3 Adjustments, credits or payments shall be made and any corrective action shall commence within thirty (30) Days from the requesting Party's receipt of the final audit report to compensate for any errors or omissions which are disclosed by such audit and are agreed to by the Parties.

9. Special Construction

Subject to requirements regarding the point of interconnection set forth in Appendix A, nothing in this Agreement requires CVT to construct or build facilities for Level 3. In performing under this Agreement, CVT may agree to make expenditures or otherwise incur costs that are not otherwise identified for reimbursement under this Agreement. In such event, CVT is entitled to reimbursement from Level 3 for all such costs reasonably incurred, provided, however, Level 3 shall only be responsible for those costs directly attributable to and approved by Level 3. Before incurring any such costs, CVT will provide a statement of such costs and Level 3 will have an opportunity to review and approve or disapprove any such expenditure. For all such costs and expenses, CVT shall receive through non-recurring charges the actual costs and expenses incurred, including labor costs and expenses, overhead and fixed charges, and may include a reasonable contribution to CVT's common costs. The applicability and/or amount of any costs and expenses sought under this Section 9 shall be subject to any applicable requirements, including without limitation FCC and Commission rules, if any.

10. Limitation of Liability

- 10.1 The Parties will limit liability in accordance with this Section.
- 10.2 Except for damages resulting from the willful or intentional misconduct of one or both Parties, the liability of either Party to the other Party for damages arising out of (i) failure to comply with a direction to install, restore or terminate facilities, or (ii) failures, mistakes, omissions, interruptions, delays, errors, or defects occurring in the course of furnishing any services, arrangements, or facilities hereunder shall be determined in accordance with the terms of the applicable tariff(s) of the providing Party. In the event no tariff(s) apply, the providing Party's liability shall not exceed an amount equal to the pro rata monthly charge for the period in which such failures, mistakes, omissions, interruptions, delays, errors, or defects. Because of the mutual nature of the exchange of traffic arrangement between the Parties pursuant to this Agreement, the Parties acknowledge that the amount of liability incurred under this Section may be zero.
- 10.3 Neither Party shall be liable to the other in connection with the provision or use of services offered under this Agreement for any indirect, incidental, special or consequential damages including but not limited to damages for lost profits or revenues, regardless of the form of action, whether in contract, warranty, strict liability, or tort, including without limitation, negligence of any kind, even if the other Party has been advised of the possibility of such damages; provided that the foregoing shall

not limit a Party's liability with respect to its indemnification obligations under Section 13 of this Agreement.

- 10.4 Except in the instance of harm resulting from an intentional or willful misconduct, neither Party shall be liable to the End User of the other Party in connection with its provision of services to the other Party under this Agreement. In the event of a dispute involving both Parties with a customer of one Party, both Parties shall assert the applicability of any limitations on liability to End Users that may be contained in either Party's applicable tariff(s) or applicable End User contracts.

11. No Warranties

EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, NEITHER PARTY MAKES, AND EACH PARTY HEREBY SPECIFICALLY DISCLAIMS, ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, REGARDING ANY MATTER SUBJECT TO THIS AGREEMENT, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR IMPLIED WARRANTIES ARISING FROM COURSE OF DEALING OR COURSE OF PERFORMANCE.

12. Indemnification

- 12.1 Each Party (the "Indemnifying Party") shall release, indemnify, defend and hold harmless the other Party ("Indemnified Party") from and against all losses, claims, demands, damages, expenses (including reasonable attorney's fees), suits or other actions, or any liability whatsoever related to the subject matter of this Agreement, (i) whether suffered, made, instituted, or asserted by any other party or person, relating to personal injury to or death of any person, or for loss, damage to, or destruction of real and/or personal property, whether or not owned by others, incurred during the term of this Agreement and to the extent proximately caused by the act(s) or omission(s) of the Indemnifying Party, regardless of the form of action, or (ii) whether suffered, made, instituted, or asserted by its own customer(s) against the other Party arising out of the other Party's provisioning of services to the Indemnifying Party under this Agreement, except to the extent caused by the gross negligence or willful misconduct of the Indemnified Party, or (iii) arising out of the libel, slander, invasion of privacy, misappropriation of a name or likeness. Notwithstanding the foregoing, nothing contained herein shall affect or limit any claims, remedies, or other actions the Indemnifying Party may have against the Indemnified Party under this Agreement, any

other contract, or any applicable tariff(s), regulation or laws for the Indemnified Party's provisioning of said services.

- 12.2 The Indemnified Party shall (i) notify the Indemnifying Party promptly in writing of any written claims, lawsuits, or demand by third parties for which the Indemnified Party alleges that the Indemnifying Party is responsible under this Section and (ii) tender the defense of such claim, lawsuit or demand to the Indemnifying Party, (iii) assert any and all provisions in its tariff that limit liability to third parties as a bar to any recovery by the third-party claimant in excess of such limitation. The Indemnified Party also shall cooperate in every reasonable manner with the defense or settlement of such claim, demand, or lawsuit. The Indemnifying Party shall keep the Indemnified Party reasonably and timely apprised of the status of the claim, demand or lawsuit. In no event shall the Indemnifying Party settle or consent to any judgment pertaining to any such action without the prior written consent of the Indemnified Party, which consent shall not be unreasonably withheld, delayed or conditioned. The Indemnified Party shall have the right to retain its own counsel, at its expense, and participate in but not direct the defense, except that if the Indemnifying Party does not promptly assume or diligently pursue the tendered action, then the Indemnified Party may proceed to defend or settle said action at the expense of the Indemnifying Party.
- 12.3 The Indemnifying Party shall not be liable under this Section for settlements or compromises by the Indemnified Party of any claim, demand, or lawsuit unless the Indemnifying Party has approved the settlement or compromise in advance, and such approval by the Indemnifying Party shall not be unreasonably withheld, or unless the defense of the claim, demand, or lawsuit has been tendered to the Indemnifying Party in writing and the Indemnifying Party has failed to promptly undertake the defense.

13. Force Majeure

Neither Party shall be liable for any delay or failure in performance of any part of this Agreement from any cause beyond its control and without its fault or negligence, regardless of whether such delays or failures in performance were foreseen or foreseeable as of the date of this Agreement, including, without limitation, acts of God, acts of civil or military authority, embargoes, epidemics, war, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, power failure or blackouts. If performance of either Party's obligations is delayed under this Section, the due date for the performance of the original obligation(s) shall be extended by a term equal to the time lost by reason of the delay. In the event of such delay, the delaying Party

will perform its obligations at a performance level no less than that which it uses for its own operations.

14. Nondisclosure of Proprietary Information

- 14.1 It may be necessary for the Parties to exchange with each other certain confidential information during the term of this Agreement including, without limitation, technical and business plans, technical information, proposals, specifications, drawings, procedures, orders for services, usage information in any form, customer account data, call detail records, Customer Proprietary Network Information ("CPNI") and Carrier Proprietary Information ("CPI") as those terms are defined by the Communications Act of 1934, as amended, and the rules and regulations of the FCC and similar information (collectively, "Confidential Information"). Confidential Information includes (i) all information delivered in written form and may be marked "confidential" or "proprietary" or bearing mark of similar import; (ii) oral information, if identified as confidential or proprietary at the time of disclosure and confirmed by written notification within ten (10) days of disclosure; (iii) information derived by the Recipient (as hereinafter defined) from a Disclosing Party's (as hereinafter defined) usage of the Recipient's network; (iv) information that the circumstances surrounding disclosure or the nature of the information suggests that such information is proprietary or should be treated as confidential or proprietary; and (v) all call detail records of End Users. The Confidential Information will remain the property of the Disclosing Party and is proprietary to the Disclosing Party. Recipient will protect Confidential Information as the Recipient would protect its own proprietary information, including but not limited to protecting the Confidential Information from distribution, disclosure, or dissemination to anyone except employees or duly authorized agents of the Parties with a need to know such information and which the affected employees and agents shall be bound by the terms of this Section. Confidential Information will not be disclosed or used for any purpose other than to provide service as specified in this Agreement or upon such other terms as may be agreed to by the Parties in writing. For purposes of this Section, the Disclosing Party means the owner of the Confidential Information, and the Recipient means the Party to whom Confidential Information is disclosed.
- 14.2 Except as required by applicable law regarding access to CPNI, Recipient has no obligation to safeguard Confidential Information (i) which was in the Recipient's possession free of restriction prior to its receipt from Disclosing Party, (ii) after it becomes publicly known or available through no breach of this Agreement by Recipient, (iii) after it is rightfully acquired by

Recipient free of restrictions on the Disclosing Party, or (iv) after it is independently developed by personnel of Recipient to whom the Disclosing Party's Confidential information had not been previously disclosed. Recipient may disclose Confidential Information if required by law, a court, or governmental agency, provided that Disclosing Party has been notified of the requirement promptly after Recipient becomes aware of the requirement, and provided that Recipient undertakes all reasonable lawful measures to avoid disclosing such information until Disclosing Party has had reasonable time to obtain a protective order. Recipient will cooperate with the Disclosing Party to obtain a protective order and to limit the scope of such disclosure. Recipient will comply with any protective order that covers the Confidential Information to be disclosed.

- 14.3 Each Party agrees that Disclosing Party would be irreparably injured by a breach of this Agreement by Recipient or its representatives and that Disclosing Party is entitled to seek equitable relief, including injunctive relief and specific performance, in the event of any breach of this paragraph. These remedies are not exclusive, but are in addition to all other remedies available at law or in equity.

15. Notices

- 15.1 Notice given by one Party to the other under this Agreement must be in writing and delivered by hand, overnight courier or pre-paid first class mail certified U.S mail, return receipt requested, and is effective when received and properly addressed to:

For CVT:

Copper Valley Telephone, Inc.
Steve Metts
President and General Manager
752 East Maley,
P. O. Box 970
Willcox, Arizona 85644
Telephone: 520-384-2231
Facsimile: 520-826-1848

For Level 3:

Level 3 Communications, L.L.C.

1025 Eldorado Boulevard
Broomfield, CO 80021

Attention: Legal – Interconnection Services
Telephone: 720-888-2620
Facsimile: 720-888-5134

Copy to:

Level 3 Communications, L.L.C.
1025 Eldorado Boulevard
Broomfield, CO 80021
Attention: Director – Interconnection Services
Facsimile: 720-888-5150

- 15.2 The address to which notices or communications may be given to either Party may be changed by written notice given by such Party to the other Party pursuant to this Section.

16. Contacts

The Parties agree to exchange and to update contact and referral numbers for order inquiry, trouble reporting, billing inquiries, and information required to comply with law enforcement and other security agencies of the government.

17. Dispute Resolution

17.1 Finality of Disputes.

Except as otherwise specifically provided for in this Agreement, no action, dispute, controversy or claim (“dispute”) arising from this Agreement more than twenty-four (24) months from the date the occurrence which gives rise to the dispute is discovered or reasonably should have been discovered with the exercise of due care and attention will be brought for Dispute Resolution.

17.2 Alternative to Litigation.

Except as provided under Section 252 of the Act with respect to the approval of this Agreement by the Commission, the Parties desire to resolve disputes arising out of or relating to this Agreement without litigation. Accordingly, the Parties agree to use the following alternative dispute resolution procedures as the preferred, though not exclusive, means of resolution with respect to any action, dispute, controversy or claim arising out of or

relating to this Agreement or its breach, except with respect to the following: an action seeking a temporary restraining order or an injunction related to the purposes of this Agreement; a dispute, controversy or claim relating to or arising out of a change in law or reservation of rights under the provisions of Section 19.8; and a suit to compel compliance with this Dispute Resolution Process.

17.3 Negotiations.

At the written request of a Party, each Party will appoint a knowledgeable, responsible representative to meet and negotiate in good faith to resolve any dispute arising out of or relating to this Agreement. The location, format, frequency, duration, and conclusion of these discussions shall be left to the discretion of the representatives. Upon agreement, the representatives may utilize other alternative dispute resolution procedures such as mediation to assist in the negotiations. Discussions and correspondence among the representatives for purposes of these negotiations shall be treated as Confidential Information developed for purposes of settlement, are exempt from discovery and shall be inadmissible in the arbitration described below or in any lawsuit without the concurrence of all Parties. Documents identified in or provided with such communications, which are not prepared for purposes of the negotiations, may, if otherwise discoverable or admissible, be discovered, or be admitted in evidence, in the arbitration or lawsuit.

18. Arbitration

- 18.1 If the negotiations described in Section 17.3 above do not resolve the dispute within sixty (60) calendar days of the initial written request, unless both parties mutually agree to extend the sixty (60) calendar day deadline, the dispute may be submitted by either Party (with a copy provided to the other party) to arbitration, or, for matters where arbitration is not selected by mutual agreement of the Parties, to the Commission in accordance with Commission rules. Matters may be submitted earlier than sixty (60) days where the Parties agree that further negotiations will not be beneficial. Where arbitration is voluntarily selected by mutual agreement of the Parties the arbitration shall be by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. The Parties may also select an arbitrator outside American Arbitration Association rules upon mutual agreement. A Party may demand such arbitration in accordance with the procedures set out in those rules. All Arbitrations will be held in Arizona.

Discovery shall be controlled by the arbitrator or Commission, as applicable, and shall be permitted to the extent set out in this section. Each Party may submit in writing to a Party, and that Party shall so respond to, a maximum of any combination of thirty-five (35) (none of which may have subparts) of the following: interrogatories, demands to produce documents, or requests for admission. Each Party is also entitled to take the oral deposition of one individual of the other Party. Additional discovery may be permitted upon mutual agreement of the Parties. The arbitration hearing shall be commenced within sixty (60) calendar days of the demand for arbitration. The arbitrator shall control the scheduling so as to process the matter expeditiously. The Parties may submit written briefs. The arbitrator shall rule on the dispute by issuing a written opinion within thirty (30) Business Days after the close of hearings. The times specified in this section may be extended upon mutual agreement of the Parties or by the arbitrator upon a showing of good cause. Judgment upon the award rendered by the arbitrator shall be deemed final, binding and nonappealable and may be entered in any court having jurisdiction.

18.2. Expedited Arbitration Procedures

If the issue to be resolved through the negotiations referenced in Section 17 directly and materially affects service to either Party's End User Customers, then the period of resolution of the dispute through negotiations before the dispute is to be submitted to arbitration or other form of resolution pursuant to Section 18.3 shall be five (5) business days. Once such a service affecting dispute is submitted to arbitration, the arbitration shall be conducted pursuant to the expedited procedures rules of the Commercial Arbitration Rules of the American Arbitration Association (i.e., rules 53 through 57). If such service affecting dispute is submitted to the Commission, the Commission's rules for expedited processing of that dispute shall apply.

18.3. Alternative Dispute Resolution

If the negotiations under Section 17 do not resolve the dispute within sixty (60) calendar days of the initial written request, nothing in this Agreement shall preclude either Party from seeking any relief that may be available from the Commission or the FCC under applicable law, or through a court of competent jurisdiction, instead of resolving the dispute through arbitration under Section 18.1 of this Agreement.

18.4. Costs

Each Party shall bear its own costs involving litigation or Arbitration for Commission or FCC review. A Party seeking discovery shall reimburse the responding Party the costs of production of documents (including search time and reproduction costs). The Parties shall equally split the fees of the arbitration and the arbitrator.

19. Miscellaneous

- 19.1 Amendments. No amendment of this Agreement is valid unless it is in writing, signed by both Parties and has been submitted to and approved by the Commission.
- 19.2 Independent Contractors. The Parties to this Agreement are independent contractors. Neither Party is an agent, representative, or partner of the other Party.
- 19.3 Taxes. Each Party is responsible for any and all taxes and surcharges arising from its conduct under this Agreement and shall, consistent with Section 8 indemnify and hold harmless the other Party for its failure to pay and/or report any applicable taxes and surcharges. Level 3 is not required to pay any tax or surcharge for which it provides an exemption certificate or other proof of exemption to CVT.
- 19.4 Survival. The Parties' obligations under this Agreement which by their nature are intended to continue beyond the termination or expiration of this Agreement survive the termination or expiration of this Agreement.
- 19.5 Publicity. Neither Party nor its subcontractors or agents will use the other Party's trademarks, service marks, logos, company name or other proprietary trade dress in any advertising, press releases, publicity matters or other promotional materials without that Party's prior written consent.
- 19.6 Default. If either Party believes the other is in breach of this Agreement or otherwise in violation of law, it will first give thirty (30) days notice of such breach or violation and an opportunity for the allegedly defaulting Party to cure. Thereafter, the Parties will employ the dispute resolution procedures set forth in this Agreement.
- 19.7 Waiver. Any failure on the part of a Party hereto to comply with any of its obligations, agreements or conditions hereunder may be waived by written documentation by the other Party to whom such compliance is owed. No waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any

other provision, nor shall any waiver constitute a continuing waiver.

19.8 Change of Law.

19.8.1 The Parties enter into this Agreement without prejudice to any positions they have taken previously, or may take in the future in any legislative, regulatory, judicial or other public forum addressing any matters, including matters related specifically to this Agreement, or other types of arrangements prescribed in this Agreement; provided, however, that this Agreement shall remain binding on the Parties. Except as specifically provided for in this Agreement, neither Party waives any rights it may have under the Act and the rules and regulations promulgated there under by the FCC and/or the Commission.

19.8.2 The Parties acknowledge that the respective rights and obligations of each Party as set forth in this Agreement are based on the Act and the rules and regulations promulgated hereunder by the FCC and the Commission as of the Effective Date.

19.8.3 In the event of any (i) final, effective, unstayed, amendment to the Act, (ii) any effective legislative action that is not stayed or overturned, (iii) any effective, final, non-appealable regulatory or judicial order, rule, or regulation, (iv) a final non-appealable dispute resolution under this Agreement, or (v) any other final, effective, non-appealable legal action purporting to apply the provisions of the Act to the Parties or in which the FCC or the Commission makes a generic determination that is generally applicable to the pricing, terms and conditions of this Agreement, any of which revises, modifies or reverses the applicable rules, then either Party may, to the extent permitted or required by the amended rules, by providing written notice to the other Party, require that the provisions of this Agreement that are revised, modified or reversed by the amended rules be renegotiated in good faith and this Agreement shall be amended accordingly to reflect the pricing, terms and conditions renegotiated by the Parties to reflect each such amended rule.

19.9 No Third-Party Beneficiaries. This Agreement does not provide any third party with any benefit, remedy, claim, right of action or other right.

- 19.10 Regulatory Approval. The Parties understand and agree that this Agreement will be filed with the Commission and to the extent required by FCC rules may thereafter be filed with the FCC. Each Party covenants and agrees to fully support approval of this Agreement by the Commission. In the event the Commission rejects this Agreement in whole or in part, the Parties agree to meet and negotiate in good faith to arrive at a mutually-acceptable modification of the rejected portions(s).
- 19.11 Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Arizona without regard to its conflict of laws principles and, when applicable, in accordance with the requirements of the Act and the FCC's implementing regulations.
- 19.12 Severability. If any part of this Agreement is held to be unenforceable or invalid in any respect under law or regulation, such unenforceability or invalidity will affect only the portion of the Agreement which is unenforceable or invalid. In all other respects this Agreement will stand as if the invalid provision had not been a part thereof, and the remainder of the Agreement remains in full force and effect, unless removal of that provision results in a material change to this Agreement. In such a case, the Parties shall negotiate in good faith to replace the unenforceable language with language that reflects the intent of the Parties as closely as possible. If replacement language cannot be agreed upon, either Party may request dispute resolution pursuant to Section 17 and 18.
- 19.13 Assignment. Any assignment by either Party of any right, obligation, or duty, in whole or in part, or of any interest, without the written consent of the other Party (which consent shall not be unreasonably withheld) shall be void except that either Party may assign all of its rights, and delegate its obligations, liabilities, and duties under this Agreement, either in whole or in part, to any entity that is, or that was immediately preceding such assignment, a subsidiary or an affiliate of the assigning Party to any entity that controls, is controlled by, or is under common control with the assigning Party without consent by the other Party, but with written notification. The effectiveness of any such assignment shall be conditioned upon the assignee's written assumption of the rights, obligations, and duties of the assigning Party.
- 19.14 Fraud. The Parties assume responsibility for all fraud associated with each Party's customers and accounts. The Parties shall bear no responsibility for, nor are they required to make adjustments to the other Party's account in cases of fraud.

- 19.15 Good Faith Performance. In the performance of their obligations under this Agreement, the Parties shall act in good faith. In situations in which notice, consent, approval or similar action by a Party is permitted or required by any provision of this Agreement, such action shall not be conditional, unreasonably withheld or delayed.
- 19.16 Trademarks and Trade Names. Except as specifically set out in this Agreement, nothing in this Agreement shall grant, suggest, or imply any authority for one Party to use the name, trademarks, service marks, or trade names of the other Party for any purpose whatsoever.
- 19.17 Attachments. All attachments, appendices, exhibits and schedules attached hereto are deemed to be an integral part of this Agreement, and all references to the term Agreement herein shall be deemed to include such attachments, appendices, exhibits and schedules.

20. Multiple Counterparts

This Agreement may be executed in counterparts and each of which shall be an original and all of which shall constitute one and the same instrument and such counterparts shall together constitute one and the same instrument.

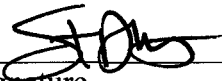
21. Entire Agreement

This Agreement, including all attachments and subordinate documents attached hereto or referenced herein, all of which are incorporated by reference, constitute the entire matter, and supersede all prior oral or written agreements, representations, statements, negotiations, understandings, proposals, and undertakings with respect to the subject matter.

IN WITNESS WHEREOF, the Parties agree that the effective date of this Agreement is the date first written above, and each Party warrants that it has caused this Agreement to be signed and delivered by its duly authorized representative.

By: Copper Valley Telephone, Inc.

By: Level 3 Communications L.L.C.




Signature
Steven D. Morris

Typed or Printed Name
CTO

Title
3/6/08

Date



Signature
Jamie Moyer

Typed or Printed Name
Sr Director

Title
2/28/08

Date

EXCHANGE OF TRAFFIC AND INTERCONNECTION

1. General

- 1.1 This Exchange of Traffic and Interconnection Appendix together with the General Terms and Conditions Section of this Agreement set forth the specific terms and conditions under which CVT and Level 3 will interconnect their networks for the purpose of the mutual exchange of Local Telecommunications Traffic, Local/Mandatory EAS traffic and ISP-Bound Traffic that is originated by an End User of one Party (or its Customer) and is terminated to an End User of the other Party (or its Customer) in the Clifton Rate Center where each Party directly provides telephone exchange service to End Users or provides Telecommunications Service on a wholesale basis to a third party provider that provides an equivalent type service to End Users in CVT's Clifton Rate Center.
- 1.2 The Parties also agree to exchange Local Telecommunications Traffic, Local/Mandatory EAS traffic and ISP-bound Traffic between their networks for CVT's Elfrida exchange. The exchange of Local Telecommunications Traffic, Local/Mandatory EAS traffic and ISP-bound Traffic between the Parties for the Elfrida exchange is accomplished through indirect connection via existing local tandem arrangements of a third party provider.
- 1.3 When the total amount of Traffic indirectly exchanged between the Parties exceeds one (1) DS-1 as measured at the busy hour for three consecutive months (the "Threshold"), after written notification to Level 3 the Parties agree to negotiate in good faith to promptly establish and implement arrangements for direct interconnection of their respective networks at the Elfrida End Office or at an alternative location within the Elfrida Rate center as mutually agreed to by both Parties. Rates for DS-1, DS-3, or higher grade facilities will be made available from Copper Valley's Access Tariff, NECA FCC #5.
- 1.4 Each Party will honor the other Party's arrangements with a third party tandem switch service provider for the delivery of Local Telecommunications Traffic, Local/Mandatory EAS traffic and ISP-bound Traffic for termination to the other Party. CVT will not be required to transport its Originating Traffic beyond its exchange boundary.
- 1.5 Neither Party will block the telephone numbers or Local Telecommunications Traffic, Local/Mandatory EAS traffic or ISP-bound Traffic, as defined in this Agreement, of the other Party, and appropriately

load in the Local Exchange Routing Guide (LERG) such number as are associated with a Party's mandatory local calling area for CVT's Clifton exchange and Elfrida Exchange.

- 1.7 Both Parties acknowledge that toll traffic will be routed in accordance with Telecordia Traffic Routing Administration Instructions. Any traffic that does not originate and terminate within CVT's Clifton Rate Center Area or CVT's Elfrida Rate Center Area, as determined by NPA-NXX, will be considered toll traffic and subject to access tariffs.

2.0 Responsibility for Traffic

- 2.1 Level 3 is financially responsible for all traffic that it delivers to CVT including but not limited to Local, Interconnected VoIP and toll traffic. Level 3 shall not provision any of its services in a manner that permits the circumvention of applicable switched access charges, by Level 3 or a Customer of Level 3. Level 3 agrees to be responsible and pay, in accordance with this Agreement, any applicable charges for Interconnection Facilities, Reciprocal Compensation, and Access Charges associated with all traffic that Level 3 or its Customer originates and that is terminated to CVT End Users.
- 2.2 The Parties acknowledge that there may be instances where Interconnected VoIP traffic calls originate from and/or terminate to a portable IP device ("Nomadic Traffic"), but further acknowledge and agree that currently, it may not be technically feasible to accurately identify and/or monitor Nomadic Traffic. The Parties acknowledge that there is uncertainty as to the appropriate regulatory treatment (intercarrier compensation and routing/trunking) of nomadic traffic. Until such time as industry standards for the accurate identification and monitoring of nomadic traffic have been developed, and until the FCC issues a final order addressing what should be the appropriate regulatory treatment of nomadic traffic, the Parties agree that if a Party identifies nomadic traffic that has been exchanged under this Agreement, such traffic shall be rated for intercarrier compensation purposes subject to Section 2.5 below, including if such traffic is otherwise not identifiable, access charges pursuant to CVT's tariffed switched access rates.
- 2.3 Traffic originated by an End User of one Party to this Agreement (or its Customer) on that Party's network and terminated to an End User of the other Party to this Agreement (or its Customer) on that other Party's network shall not be considered Transit Service traffic, and Level 3 is not entitled to bill (and CVT is not obligated to pay) any Transit Service charges for such Traffic.

- 2.4 The Parties agree that the delivery of traffic that has had Signaling Parameters improperly stripped, altered, modified, added, deleted or changed. ("Misclassified Traffic") is prohibited under this Agreement. The Parties also agree that, due to the technical nature of its origination, certain traffic that is not Misclassified Traffic may be properly transmitted without all the Signaling Parameters pursuant to Section 6 of this Appendix ("Unclassified Traffic").
- 2.5 Provided that the percentage of calls transmitted under this Agreement determined to be Unclassified Traffic in a given month is less than or equal to 10%, such calls will be billed at rates calculated consistent with, and in proportion to, the characteristics of the total traffic exchanged under this Agreement with Signaling Parameters. If the percentage of total call traffic transmitted determined to be Unclassified Traffic in a given month is above 10%, the Party originating such traffic agrees to pay the terminating Party's intrastate access rates for all Unclassified traffic for the applicable month. Notwithstanding the foregoing, if a terminating Party determines that Misclassified Traffic has been delivered by the originating Party, Section 2.6, herein below, shall apply with respect to the delivery of such traffic.
- 2.6 If a terminating Party determines in good faith in any month that any traffic delivered by the originating Party is Misclassified Traffic:
- 2.6.1 The terminating Party will provide sufficient information, including its reasoning as to why the traffic is misclassified, as notification to the other Party. Upon receipt of such notification, the Party originating such traffic shall be permitted to investigate and identify the alleged Misclassified Traffic;
- 2.6.2 In addition to the terminating Party's other rights and remedies with respect to Misclassified Traffic, the originating Party agrees to pay the terminating Party's intrastate access rates with respect to all Misclassified Traffic unless a written notice of dispute is provided by the originating Party in accordance with 2.6.4.
- 2.6.3 The Party originating traffic that has been determined to be Misclassified Traffic agrees to take all reasonable steps to cease all actions, and cancel or reroute any service that is permitting the delivery of Misclassified Traffic.
- 2.6.4 If the originating Party disagrees with the terminating Party's determination that traffic has been misclassified, the originating Party, within sixty (60) days of its receipt of the call detail records pursuant to Section 2.6.1 from terminating Party, will provide the terminating Party written notice of its dispute along with all documentation supporting its challenge to the originating Party's challenge of the terminating Party's claim. If the Parties are not able to mutually agree as to the proper treatment of the traffic based upon the documentation produced, the Dispute Resolution

procedures of Section 17 and 18 of this Agreement shall apply.

- 2.6.5 Notwithstanding anything herein to the contrary, the Parties agree that if it is determined that an originating Party is delivering Misclassified Traffic making up more than twenty percent (20%) of the total traffic it is delivering per month during any consecutive three (3)-month period, such Party shall be in breach of this Agreement, subject to Section 4 of the General Terms and Conditions of this Agreement. To the extent that the Parties have enlisted the Dispute Resolution procedures pursuant to Section 17 and 18 of this Agreement to determine the proper treatment of the traffic, a Default shall not occur while such dispute is pending. Each Party shall make a good faith effort to resolve any such pending dispute within a reasonable time period.
- 2.7 Each Party shall take all reasonable steps to correct the causes of misrouted toll traffic, misidentified traffic, Misclassified Traffic and Unclassified Traffic.
- 2.8 Each Party shall have the right, pursuant to Section 8 of the General Terms and Conditions, to audit the other Party's records to ensure that no traffic is misrouted, misclassified, or is otherwise terminated in circumvention of access charges. Both Parties shall cooperate in providing the records required to conduct such audits. Upon request, the audited Party will cooperate in identifying the jurisdiction of a call. Neither Party shall have the right to conduct an audit more than one time in a twelve-month period.

3. Physical Interconnection

- 3.1 Each Party agrees to route traffic to the proper jurisdictional trunk group.
- 3.2 The Parties agree to physically connect their respective networks, at a Point of Interconnection ("POI") so as to furnish Local Telecommunications Traffic between Level 3 End Users and CVT End-Users only in CVT's Clifton Rate Center. This section is expressly limited to the exchange of Local Telecommunications Traffic, Local/Mandatory EAS traffic and ISP-Bound Traffic originated and terminated to End Users of the Parties or their Customers in this Agreement at the POI. For the purposes of this Agreement, Level 3 will establish a direct local Point of Interconnection at the CVT Clifton End Office. Level 3 has the ability to establish a direct connection at the Elfrida End Office at a future time as needed, pursuant to Section 1.3 above, and shall establish a single POI at that time. Each Party shall bear full operational and financial responsibility for establishing and maintaining its network on its side of the POI. Interconnection may be achieved by the use of either Party's facilities or the leasing of facilities from a third party carrier.
- 3.3 Direct Interconnection Facilities between the Parties' networks shall be provisioned as two-way interconnection trunks, where technically feasible. The interconnection facilities shall meet the Telcordia BOC Notes on LEC Network Practice No. SR-TSV-002275.

3.3.1 Trunk Types

3.3.1.1 Local Interconnection Trunks

- 3.3.1.1.1 The Parties will establish local trunk groups for the exchange of Local Telecommunications and ISP-Bound Traffic. The Parties agree that all Local Telecommunications Traffic, Local/Mandatory EAS traffic and ISP-Bound Traffic exchanged between them will be on trunks exclusively dedicated to such traffic.

3.3.1.2 Toll Trunks

- 3.3.1.2.1. Toll traffic shall not be routed on the Local Interconnection Trunks. Separate trunk groups for such Toll Traffic must be established on the Direct Interconnection Facility. Standards access compensation arrangements from CVT's respective tariffs will apply to traffic terminated over the Toll Trunks.

3.3.1.3 Direct End Office Trunks

- 3.3.1.3.1 Level 3 will establish trunking to CVT's Clifton Office.
- 3.3.1.3.2 Direct End Office Trunks will transport Local Telecommunications traffic, Local/Mandatory EAS traffic and ISP-Bound Traffic between Level 3's switch and CVT's Clifton End Office and are not switched at a local tandem office. Level 3 shall establish a two-way Direct End Office Trunk Group at the CVT's Clifton End Office.
- 3.3.1.2.3 All traffic received by CVT on the Direct End Office Trunk from Level 3 must terminate in the CVT's Clifton End Office, i.e. no tandem switching or Transit Services will be performed in the End Office.

- 3.3.2 Level 3 shall be responsible for establishing 911 trunks and Operator Services/Directory Assistance trunks with a third-party. Level 3 may purchase transport for such 911 trunks and Operator Services/Directory Assistance trunks from CVT subject to applicable tariff rates.

- 3.3.2.1 CVT utilizes Qwest for the provision of 911/E911 services. Level 3 is responsible for connecting to Qwest and populating Qwest's database, and Level 3 will provide evidence to CVT that it has done so. All relations between Qwest and Level 3 are totally separate from this Agreement and CVT makes no representation on behalf of Qwest.
- 3.3.2.2 CVT will not be liable for errors with respect to Level 3's provision of 911/E911 services to Level 3's End Users.
- 3.3.2.3 The Parties agree to comply with FCC rules governing the implementation of 911/E-911 services, including without limitation any orders or rulings issued by the FCC in *In re: IP-Enabled Services; E911 Requirements for IP-Enabled Service Providers*, WC Docket No. 04-36, WC Docket No. 05-196.

3.3.3 Fiber Meet Point

- 3.3.3.1 Fiber Meet Point is an interconnection arrangement whereby the Parties physically interconnect their networks via an optical fiber interface (as opposed to an electrical interface) at a point of interconnection. The location where one Party's facilities, provisioning, and maintenance responsibility begins and the other Party's responsibility ends is at the POI.
- 3.3.3.2 If both Parties mutually agree to interconnect pursuant to a Fiber Meet Point, Level 3 and CVT shall jointly engineer and operate a fiber optic transmission system, and will interconnect their transmission and routing of Local Telecommunications Traffic, Local/Mandatory EAS traffic and ISP-Bound Traffic via a local channel facility at the DS1 or DS3 level. The Parties shall work jointly to determine the specific fiber optic transmission system. Level 3's fiber optic transmission equipment must be compatible with CVT's equipment. Each Party reserves the right to determine the equipment it employs for service.
- 3.3.3.3 The Parties shall mutually agree upon a Fiber Meet Point. The Parties shall deliver its fiber optic facilities to the Fiber Meet Point. CVT shall make all necessary preparations to receive, and to allow and enable Level 3 to deliver, fiber optic facilities with sufficient spare length to reach the fusion splice point for the Fiber Meet Point.
- 3.3.3.4 Level 3 shall deliver and maintain its fiber strands wholly at its own expense. Upon request by Level 3, CVT shall allow Level 3 access to the Fiber Meet Point entry point for maintenance purposes as promptly as possible.

3.3.3.5 The Parties shall jointly coordinate and undertake maintenance of the fiber optic transmission system. Each Party shall be responsible for maintaining the components of their own fiber optic transmission system.

3.3.3.6 Each Party will be responsible for providing its own transport facilities to the Fiber Meet Point.

3.4 The Parties will mutually agree on the appropriate sizing of the transport facilities. The capacity of transport facilities provided by each Party will be based on mutual forecasts and sound engineering practice, as mutually agreed to by the Parties. Level 3 shall provide CVT with a trunk forecast every twelve (12) months, which may be updated or revised by Level 3 at any time. Level 3 will order trunks in the agreed-upon quantities via an industry standard Access Service Request. Charges for Access Service Requests are included in Appendix B.

3.6 Interface Types

3.6.1 If the POI has an electrical interface, the interface will be DS1 or DS3 as mutually agreed upon by the Parties.

3.6.2 When a DS3 interface is agreed to by the Parties, CVT will provide any multiplexing required for DS1 facilities or trunking at their end and Level 3 will provide any DS1 multiplexing required for facilities or trunking at its end. CVT will charge Level 3 for multiplexing at rates found in its intrastate access tariff.

3.7 Programming

3.7.1 It shall be the responsibility of each Party to program and update its own switches and network systems pursuant to the LERG guidelines to recognize and route traffic to the other Party's assigned NPA-NXX codes. Neither Party shall impose any fees or charges whatsoever on the other Party for such activities. Any new Level 3 or CVT NPA-NXX codes will be opened in the CVT Rate Center.

3.8 Equipment Additions

3.8.1 Where additional equipment is required, such equipment will be obtained, engineered, and installed on the same basis and with the same intervals as any similar growth project period.

4. **Routing**

4.1 Both Parties acknowledge that traffic will be routed in accordance with Telcordia Traffic Routing Administration instructions.

- 4.2 Both Parties shall adhere to the North American Numbering Plan guidelines.
- 4.3 Once a Party has been assigned numbers from NANPA, that Party shall assign numbers within those codes or blocks consistent with NANPA guidelines and without violating any applicable law, rule or regulation, including applicable Commission rules or binding orders. Each Party may provide FX and "FX-like" services within the local calling area. Numbers assigned for FX or "FX-like" services will have End-Users that are not physically located in the same exchange as the NPA-NXX is assigned. Numbers shall not be used to aggregate traffic to originate or terminate to either Party.
- 5.4 Neither Party shall route un-translated traffic to service codes (e.g., 500, 800, 888, and 900) over the Local Interconnection Trunks.
- 5.5 N11 Codes: Neither Party shall route N11 codes (e.g., 411, 611, 711, and 911) to the other party over Interconnection Facilities.

6. Signaling

- 6.1 Calling Party Number ("CPN") associated with the End-User Customer originating the call must be provided.
 - 6.1.1 CPN associated with a dialable working telephone number, that when dialed, will reach the End-User Customer to whom it is assigned, at that End-User Customer's Location.
 - 6.1.2 CPN shall not be altered. CPN will be provided by each Party in conjunction with all traffic it exchanges to the extent required by industry standards.
 - 6.1.3 CPN follows the North American Numbering Plan Standards and can be identified in numbering databases and the LERG as an active number. Each Party will transmit calling party number as required by FCC rules (47 C.F.R. 64.1601).
 - 6.1.4 CPN is assigned to an active End-User
 - 6.1.5 CPN is associated with a Rate Center of the specific End-User Customer Location.
 - 6.1.6 Signaling. The Parties will connect their networks using SS7 as defined in applicable industry standards including ISDN User Part ("ISUP") for trunk signaling and Transaction Capabilities Application Part ("TCAP") for Common Channel Signaling (CCS)-based features to facilitate interoperability of CLASS features and functions between their respective networks. CPN shall be available for at least 90% of all terminating traffic. Signaling information shall be shared between the Parties at no charge to either Party.

- 6.1.7 Signaling Parameters. In order to process, track and monitor the traffic that is being exchanged, the Parties agree to cooperate with one another on the exchange of all appropriate CCS messages, for call set-up, including without limitation ISUP, TCAP messages and Jurisdictional Indicator Parameter ("JIP").

7. Network Management

- 7.1 Network Management and Change. Both Parties will work cooperatively with each other to install and maintain the most effective and reliable interconnected telecommunications networks, including but not limited to, the exchange of toll-free maintenance contact numbers and escalation procedures. Both Parties agree to provide notice of changes in the information necessary for the transmission and routing of services using its local exchange facilities or networks, as well as of any other changes that would affect the interoperability of those facilities and networks. Details of network technical specifications, forecasting, and trunk implementation shall be in accordance with the CVT's Operating Procedures. Level 3 will submit a network diagram and profile to CVT, in accordance with CVT's Operating Procedures.
- 7.2 Grade of Service. Each Party will provision their network to provide a designed blocking objective of a P.01.
- 7.3 Protective Controls. Either Party may use protective network traffic management controls such as 7-digit and 10-digit code gaps on traffic towards each Party's network, when required to protect the public switched network from congestion or failure, or focused overload. LEVEL 3 and CVT will immediately notify each other of any protective control action planned or executed.
- 7.4 Mass Calling. Both Parties will cooperate and share pre-planning information regarding cross-network call-ins expected to generate large or focused temporary increases in call volumes. The Parties agree that the promotion of mass calling services is not in the best interest of either Party. If one Party's network is burdened repeatedly more than the other Party's network, the Parties will meet and discuss the cause and impact of such calling and will agree on how to equitably share the costs and revenues associated with the calls and on methods for managing the call volume.
- 7.5 Network Harm. Neither Party will use any service related to or provided in this Agreement in any manner that interferes with third parties in the use of their service, prevents third parties from using their service, impairs the quality of service to other carriers or to either Party's End-User Customers; causes electrical hazards to either Party's personnel, damage to either Party's equipment or malfunction of either Party's equipment (individually and collectively, "Network Harm"). If a Network Harm will

occur, or if a Party reasonably determines that a Network Harm is imminent, such Party will, where practicable, notify the other Party that temporary discontinuance or refusal of service may be required, provided, however, wherever prior notice is not practicable, such Party may temporarily discontinue or refuse service forthwith, if such action is reasonable under the circumstances. In case of such temporary discontinuance or refusal, such Party will:

- 7.5.1 Promptly notify the other Party of such temporary discontinuance or refusal;
- 7.5.2 Afford the other Party the opportunity to correct the situation which gave rise to such temporary discontinuance or refusal; and
- 7.5.3 Inform the other Party of its right to bring a complaint to the Commission, FCC, or a court of competent jurisdiction.

8. Dialing Parity

- 8.1 Neither Party shall require its End User to dial more digits to call the other Party's End User than would be required to call any other End User within CVT's Rate Center.

9. Office Code Translations

- 9.1 It shall be the responsibility of each Party to program and update its own switches and network systems in order to recognize and route traffic to the other Party's assigned NXX codes at all times in accordance with the Local Exchange Routing Guide ("LERG").
- 9.2 When more than one carrier is involved in completing the call, the N-1 carrier has the responsibility to determine if a query is required, to launch the query, and to route the call to the appropriate switch or network in which the telephone number resides.
- 9.3 For purposes of this Agreement, the Parties agree to fulfill their N-1 carrier responsibilities and perform queries on calls to telephone numbers with portable NXXs. CVT is not responsible for un-queried calls.

10. Local Number Portability ("LNP")

- 10.1 The Parties agree that they shall develop and deploy LNP in accordance with the Act, such binding FCC and state mandates, and industry standards, as may be applicable.

10.2 LNP must occur within the same rate center. Orders to port numbers from one rate center to another rate center will be rejected. Porting requests from CVT to the Level 3 network shall be presumed to be within the same rate center area, unless CVT proves to Level 3, or Level 3's Customer notifies Level 3, that the End User seeking to port the number is no longer located in the CVT rate center. At the time Level 3 provisions new service to an End User that has ported from CVT to the Level 3 network, Level 3 will verify that the address provided to Level 3 for purposes of provisioning E911 service corresponds to a location within the same rate center area from which the number was ported. When a ported telephone number becomes "vacant" (meaning a ported telephone number has been vacated by the original end user and removed from service), the ported telephone number will be released back to the carrier owning the switch in which the telephone number's NXX is native after appropriate time has elapsed for intercept notification.

10.3 LNP Implementation.

10.3.1 The Parties will jointly test porting of numbers from Level 3 to CVT and from CVT to Level 3 in each exchange prior to submitting orders to port numbers.

10.4 LNP Orders.

10.4.1 LNP orders will be exchanged using industry standard Local Service Request ("LSR") forms. CVT currently accepts LSOG version 5 or its successor. When the LSOG version is updated, CVT will provide a sixty (60) day advance notice prior to converting to the new version. Complete and accurate forms (in compliance with CVT's guidelines) must be provided by Level 3 before a request can be processed. Service Order charges are included in Appendix B.

10.5 Contact Numbers. The Parties agree to provide one another with contact numbers for the purpose of ordering, provisioning and maintenance of services. The Party receiving trouble tickets will close trouble tickets after making a reasonable effort to contact the other Party for authorization to close the trouble ticket. If the Party receiving the trouble ticket cannot complete the repair due to lack of information or due to lack of authorization for additional work deemed necessary by such Party, the Party receiving the trouble ticket will make reasonable attempts to contact the other Party to obtain such information or authorization. If such attempts fail, the trouble will be placed in a delayed maintenance status. CVT'S contacts for local number portability orders and Customer specific LNP trouble may be found in the CVT porting guidelines.

- 10.6 Expedited orders. Expedited Orders will be accepted pursuant to the charges shown on Appendix B to this Agreement.

12. Directory Listings and Distribution Services

- 12.1 Level 3 will be required to negotiate a separate agreement for directory listings and distribution service with CVT's vendor for directory publications.

13. Telephone Relay Service (TRS)

Each Party is responsible for providing access to Telephone Relay Service for its End Users.

COMPENSATION

1. Compensation for the Termination of Local Telecommunications Traffic,
Local/Mandatory EAS traffic and ISP-Bound Traffic

This section is expressly limited to the transport and termination of Local Telecommunications Traffic Local/Mandatory EAS traffic and ISP-Bound Traffic originated by and terminated to End Users of the Parties (or Customers' End Users) in this Agreement. Both Parties agree that the traffic is roughly in balance and therefore compensation for Local Telecommunications Traffic Local/Mandatory EAS traffic, and ISP-Bound Traffic shall be in the form of a Bill and Keep arrangement. Either Party may notify the other Party that traffic studies indicate that either Party is terminating more than fifty-five percent (55%) of the Parties' total terminated minutes for Local Telecommunications Traffic. At such notification, mutual compensation for the exchange of Local Telecommunications Traffic will commence on a going forward basis pursuant to the rates set forth below and upon such notice, the Bill and Keep provisions shall be terminated for the duration of the Term of this Agreement, unless otherwise agreed upon in writing.

Rate for Exchange of Local Telecommunications Traffic

\$.0007 per Minute of Use

Transiting: \$.00134

2. Compensation for InterLATA and IntraLATA toll traffic will be in accordance with each Party's appropriate access tariff.

3 Facilities Compensation

3.1 For Direct Interconnection Facilities, Level 3 may lease facilities from CVT or lease facilities from a third party to reach the POI.

3.2 Each Party shall be responsible for all costs of the Direct Interconnection Facilities on its side of the POI. Each Party is responsible for any transport, transiting, or switching charges assessed by any third party for traffic originating on its respective side of the POI. Neither Party shall have any obligation to bear any charges, expenses or other costs assessed by a third party carrier in connection with transporting, transiting or switching traffic originating on the other Party's side of the POI.

- 3.3 If Level 3 chooses to lease Direct Interconnection Facilities from the CVT to reach the POI, Level 3 shall compensate CVT for such leased Direct Interconnection Facilities used for the transmission and routing of Local Telecommunications Traffic between the Parties and to interconnect with CVT's network at the rates contained in CVT's Intrastate Access Tariff.
- 3.4 In the event that Level 3 elects to offer service within CVT's Clifton Rate Center Area using a switch located outside CVT's Clifton Rate Center Area, Level 3 agrees to provide the interconnection facility for both Parties' traffic outside CVT's contiguous Rate Center Area in which Level 3 offers service, at no charge to CVT. CVT will not compensate Level 3 for the shared interconnection facility beyond the POI in CVT's contiguous Rate Center Area in which Level 3 offers service.
- 3.5 Subject to the Parties' obligation to bring its network to the POI, in the event CVT is required to modify its network to accommodate the interconnection request made by Level 3, Level 3 agrees to pay CVT reasonable charges for such modifications approved by Level 3. If Level 3 uses a third party network provider to reach the POI, Level 3 will bear all third party carrier charges for facilities and traffic in both directions on its side of the POI.
- 3.6 Neither Party shall represent Switched Access Traffic as local traffic or as Interconnected VoIP Traffic for purposes of determining compensation for the call.

4. Non-Recurring Charges ("Narks")

Pre-ordering:

CLEC Account Establishment	\$ 280.00
End User Record Search	\$ 14.08

Ordering:

Initial Service Order with LNP	\$ 53.31
Supplemental Service Order	\$ 60.21
Change Service Order	\$ 30.14
Unauthorized Change Charge	\$ 30.10

Repair and Testing, per technician:

First half hour or fraction thereof	\$ 31.43
Each additional half hour or fraction thereof	\$ 16.09

Service Order Expedite Charge:	\$ 38.27
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Coordinated Conversion	\$ 41.16
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Hot Coordinated Conversion:	\$ 122.97
Hot Coordinated Conversion per Additional Quarter Hour	\$ 22.53
Access Service Request	\$ 97.00

5. Application of Charges

Pre-ordering:

CLEC Account Establishment - Applies any time an account is setup for Level 3 under this Agreement.

End User Record Search - Applies on a per telephone number basis when Level 3 requests a Customer service record search for End User information such as basic account information, listing/directory information, service and equipment listing, and billing information.

Ordering and Provisioning:

Initial Service Order ("ISO") - Applies per facilities request for number portability or Access Service Request ("ASR") for interconnection facilities.

Change Service Order ("CSO") - Applies each time Level 3 makes a change to an order that has already been received, implemented or completed by CVT.

Unauthorized Change Charge - Applies in the event an End User is changed to a different local service provider without the End User's written authorization.

Repair and testing - Applies per half hour for testing and repair of service where no trouble is found in CVT's network.

Service Order Expedite Charge - Applies if Level 3 requests service prior to the standard due date intervals as defined by CVT's tariffs.

Coordinated Conversion - Applies if Level 3 requests notification and coordination of service cut-over prior to the service becoming effective. Will only be provided during normal business hours.

Hot Coordinated Conversion During Business Hours. Applies if Level 3 requests real-time coordinated cutover that takes one hour or less.

Hot Coordinated Conversion Per Additional Quarter Hour applies, in addition to the Hot Coordinated Conversion First Hour, for every 15-minute segment of real-time coordination of a service cut-over that takes more than one hour.